

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

WATER DIVISION
Water Advisory Branch

RESOLUTION NO. W-4272
June 14, 2001

R E S O L U T I O N

**(RES. W-4272), SPRING CREST WATER AND POWER
COMPANY (SCW&PC). ORDER RECOGNIZING TERRY
LANE AS THE COURT-APPOINTED RECEIVER FOR
SCW&PC.**

BY LETTER DATED APRIL 26, 2001.

SUMMARY

This Resolution recognizes Terry Lane as the Riverside County Superior Court-appointed receiver for SCW&PC.

BACKGROUND

The County of Riverside Health Services Agency Department of Environmental Health (Department) filed a petition for appointment of a receiver for the Spring Crest Water and Power Company (SCW&PC) on April 24, 2001. The Department petitioned for appointment of a receiver under Section 116665 of the California Health and Safety Code upon determining that the owners/operators had abandoned SCW&PC. The service territory is 360 acres divided into 198 lots with 15 connections.

DISCUSSION

Section 116665 of the California Health and Safety Code states:

Whenever the department determines that any public water system is unable or unwilling to adequately serve its users, has been actually or effectively abandoned by its owners, or is unresponsive to the rules or orders of the department, the department may petition the superior court for the county within which the system has its principal office or place of business for the appointment of a receiver to assume possession of its

property and to operate its system upon such terms and conditions as the court shall prescribe. The court may require, as a condition to the appointment of the receiver, that a sufficient bond be given by the receiver and be conditioned upon compliance with the orders of the court and the department, and the protection of all property rights involved. The court may provide, as a condition of its order, that the receiver appointed pursuant to the order shall not be held personally liable for any good faith, reasonable effort to assume possession of, and to operate, the system in compliance with the order.

The owners/operators of SCW&PC have made no appearance in this matter. The Department submitted the matter to the Court for decision. The Department has imposed a moratorium on connections due to the poorly maintained system, not due to lack of water.

This resolution serves to indicate the Commission's concurrence in the appointment of Terry Lane as the receiver subject to terms and conditions prescribed by the Court. Mr. Lane should also be aware the Commission must approve any change in rates.

Therefore, the Water Division recommends that the Commission recognize Terry Lane as the court-appointed receiver to operate and manage SCW&PC.

NOTICE AND PROTESTS

The Riverside County Superior Court handled all correspondence between the SCW&PC and the court-appointed receiver. Protests were processed routinely by the Superior Court.

FINDINGS AND CONCLUSIONS

1. SCW&PC is a public water utility system within the jurisdiction of the Commission.
2. The California Department of Health Services petitioned the Riverside County Superior Court to appoint a receiver for SCW&PC.
3. The court appointed Terry Lane as the receiver.

4. There is no known opposition to the receivership.

THEREFORE IT IS ORDERED THAT:

1. Terry Lane be recognized as the Riverside County Superior Court-appointed receiver for Spring Crest Water & Power Company under Section 855 of the Public Utilities Code.
2. This resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed and adopted at a conference of the Public Utilities Commission of the State of California held on June 14, 2001; the following Commissioners voting favorably thereon:

WESLEY M. FRANKLIN
Executive Director

LORETTA M. LYNCH
President

HENRY M. DUQUE

RICHARD A. BILAS

GEOFFREY F. BROWN

Commissioners

Commissioner Carl W. Wood, being
necessarily absent, did not participate.